

**OFFICE OF ENVIRONMENTAL REMEDIATION**

100 Gold Street – 2nd Floor
New York, New York 10038

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Director and General Counsel

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FY2020 Application for EPA Brownfields RLF GrantNarrative Information Sheet

Pertinent applicant information follows:

1. Applicant Information: New York City
Mayor's Office of Environmental Remediation
100 Gold Street, 2nd Floor
New York, NY 10038

2. Funding Requested:

i.) <u>Grant Type</u>	Individual RLF
ii) <u>Federal Funds Requested</u>	\$1,000,000
iii) <u>Contaminant:</u>	\$1,000,000 Hazardous Substances

3. Location: New York, NY

4. Contacts

i) <u>Project Director</u>	
Mark McIntyre, Director and General Counsel	
Mayor's Office of Environmental Remediation	
100 Gold Street, 2 nd Floor	
New York, NY 10038	
(212) 676-0386	
mmcintyre@cityhall.nyc.gov	
ii) <u>Chief Executive</u>	
Bill de Blasio, Mayor	
City Hall	
New York, NY 10007	
(212) NEW-YORK	
https://www1.nyc.gov/office-of-the-mayor/contact-the-mayor.page	

5. Population:

i)	8,560,072 (2013- 2017 ACS 5 year estimate)
ii)	N/A
iii)	N/A
iv)	N/A

6. Other Factors Checklist:

Other Factors	Page #
Community population is 10,000 or less.	
The applicant is, or will assist, a federally recognized Indian tribe or United States territory.	
The priority brownfield site(s) is impacted by mine-scarred land.	
The priority site(s) is adjacent to a body of water (i.e., the border of the priority site(s) is contiguous or partially contiguous to the body of water, or would be contiguous or partially contiguous with a body of water but for a street, road, or other public thoroughfare separating them).	1
The priority site(s) is in a federally designated flood plain.	
The reuse of the priority site(s) will facilitate renewable energy from wind, solar, or geothermal energy; or will incorporate energy efficiency measures.	

7. Letter from State Authority: Please see attached.

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Division of Environmental Remediation, Bureau of Program Management
625 Broadway, 12th Floor, Albany, NY 12233-7012
P: (518) 402-9764 | F: (518) 402-9722
www.dec.ny.gov

November 22, 2019

Mark McIntyre, Esq.
Director and General Counsel
NYC Mayor's Office of Environmental Remediation
100 Gold Street, 2nd Floor
New York, NY 10038

Dear Mr. McIntyre:

This is to acknowledge that the New York State Department of Environmental Conservation (DEC) received a request from Brownfield Redevelopment Solutions, Inc. on behalf of the New York City Office of Environmental Remediation (OER), dated November 13, 2019, for a state acknowledgement letter for a Federal Year 2020 United States Environmental Protection Agency (USEPA) Brownfields grant.

I understand that New York City plans to submit a grant application for a Revolving Loan Fund in the amount of \$1,000,000 to be managed by OER, which has developed an aggressive redevelopment strategy to identify, assess and reuse abandoned brownfield sites. Funds will be used to provide loans and subgrants to community-based organizations throughout New York City for cleanup activities at brownfield sites contaminated with hazardous substances. Through ongoing efforts, OER recognizes that there are clusters of brownfield sites in communities of need where limited OER funding is not always sufficient to start priority redevelopment projects. Award of the USEPA funding would provide needed remediation funds, which can then be leveraged by OER's Brownfield Incentive Grant Program funding to ensure that priority community projects are investigated, remediated, and thus able to move toward redevelopment.

DEC encourages initiatives to redevelop brownfields with the goal of mitigating any environmental and health impacts that they might pose.

Sincerely,

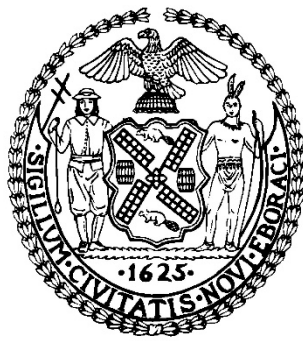


Theodore Bennett
Director
Bureau of Program Management



Department of
Environmental
Conservation

ec: T. Wesley, USEPA Region 2
A. Devine, USEPA Region 2
G. Burke, DEC Albany
J. O'Connell, DEC Region 2
V. Brevdo, DER Region 2
R. Austin, DEC Region 2
C. Zamora, NYCDEP
K. Nolan, Brownfield Redevelopment Solutions, Inc.
L. Burnham, Brownfield Redevelopment Solutions, Inc.



City of New York
EPA RLF Grant Proposal

Attachment
Narrative

City of New York - FY2020 Application for EPA Brownfields RLF Grant

Narrative

1. PROJECT AREA DESCRIPTION AND PLANS FOR REVITALIZATION

a. Target Area and Brownfields

i. Background and Description of Target Area: New York City (NYC) is the most populous city in the United States. NYC is located on a large natural harbor along the Atlantic Ocean in the far southeastern corner of the state and natural waterbodies, such as the Hudson, East and Harlem Rivers, separate New York's five boroughs from each other. NYC has an estimated 8.56 million people living in 302.64 square miles, for a population density of 28,284 people per square mile—over 300 times the national average (2013-2017 ACS). As the population is projected to surpass 9 million by 2040, the challenge of providing equitable development for poor and disadvantaged neighborhoods grows.

Poorer neighborhoods throughout the five boroughs have not shared in the residential construction boom which has reached its highest levels in NYC since the 1960s. A major reason is the concentration of brownfields in these neighborhoods which include industrial areas, transportation corridors, and even residential areas created by the city's unregulated use of contaminated materials to fill lowlands, illegal dumping, and the absence of zoning regulations in the early part of the 20th century when industrial activity was at its peak. These practices left a profound environmental legacy in disinvested communities where few resources are available to address brownfields.

It is estimated that there still exists over 7,600 acres of brownfields within the city, most of which are located in our socio-economically disadvantaged areas. Compounded by real estate speculation, funding cuts to federal housing programs that assist the most vulnerable households, and the challenge of supplying enough housing to meet demand has resulted in many New Yorkers being unable to afford the neighborhoods in which they live. With additional EPA RLF funding, NYC proposes to continue our important work in low-income neighborhoods that are dealing with both a high concentration of vacant, contaminated and underutilized parcels, as well as a severe shortage of affordable housing and community services.

Three (3) target area neighborhoods illustrate typical sites: **Brownsville** and **Bedford-Stuyvesant**, both located in the Borough of Brooklyn, and **Jerome Park**, located in the Borough of the Bronx. All three of these neighborhoods have been decimated in the past by white flight, redlining, disinvestment, civil unrest and crime, resulting in widespread abandonment and decline.

ii. Description of the Priority Brownfield Sites: Specific project examples are:

- **2856 Webster Avenue, Jerome Park (Bronx)** is a one-story commercial building constructed in 1931 with former uses that included manufacturing, automotive and dry cleaning. Areas of concern include historic fill material, lead from lead-based paints, and asbestos containing materials. The site is proposed for redevelopment as Douglaston Senior Housing, a project that will provide 188 units of critical affordable housing for low-income seniors. It is adjacent to a multi-level parking structure, two-story commercial parking garage, Metro North commuter rail line, and two- and three-story mixed used buildings.
- **401 Chester Street, Brownsville (Brooklyn)** was part of a blighted area redeveloped through the Marcus Garvey Park Village Urban Renewal Project in the early 1970s. The apartment building was razed in 2010 and has remained a vacant lot since then. Redevelopment plans to replace the housing units lost call for 157 units of affordable housing. The complex will also

have ground-floor community facility space. This development will address community needs by providing low-income housing in an area where over 30% of individuals live below poverty. The site is surrounded by elevated train tracks and an MTA electric substation, and areas of concern include historic fill material.

- **811 Lexington Avenue, Bedford-Stuyvesant (Brooklyn)**, is an 11,000sf building constructed in 1918 as a laundromat, auto garage, rubber manufacturing facility, and dye operations facility. Areas of concern include historic fill material and other potential impacts from the site's former industrial and commercial use. The property is targeted for demolition and reuse as 64 units of affordable housing for low-income seniors and formerly homeless individuals. The development will also provide social services to tenants, which will assist community members who are struggling to move out of poverty and dependence. It is adjacent to residential buildings, a community garden, vacant lots, a church, and a public facility building.

b. Revitalization of Target Area

i. Reuse Strategy and Alignment with Revitalization Plans: NYC's strategy for implementation of the RLF grant is consistent with the City's OneNYC 2050 strategic plan goals for "Thriving Neighborhoods," including 1) to provide access to safe, secure and affordable housing and 2) to promote place based community planning and strategies. The City has set an ambitious goal of creating or preserving 300,000 affordable units by 2026 with 40% reserved for very-low or extremely-low income households. OneNYC 2050 further states that a critical means for achieving this affordable housing goal is to "continue the cleanup and redevelopment of brownfield sites." The City has committed to cleaning up an additional 850 lots for affordable and supportive housing through its brownfield programs by 2021. Given our demonstrated project metrics for our prior RLF projects, this translates to 6,181 new affordable, supportive units of housing. In summary, implementation of the requested RLF grant will directly support the City's plans to clean up brownfield sites to develop affordable housing.

ii. Outcomes and Benefits of Reuse Strategy: NYC RLF projects are selected based upon the merits of the community benefits the projects will provide upon completion. When Mayor Bill de Blasio was first elected, he made it clear that affordable housing was the number one priority of his administration. The City uses the EPA RLF program to take this goal one step further by investing in affordable housing projects which assist those most in need: the chronically homeless, the disabled, the elderly, and those with addiction issues. Such housing is not only considered affordable housing, but it is also classified as "Supportive Housing" as it often comes with counseling, medical support, and other services needed by its new occupants. Furthermore, by supporting community-based projects by working with community-based organizations (CBOs) EPA RLF funds will support equitable development. CBOs are dedicated to improving the lives of residents and not to displace or further disadvantage existing residents through neighborhood gentrification. While only 25% of the eligible low income census tracts were allowed to be nominated, NYC has 307 **Opportunity Zones** spanning the 5 boroughs, including 125 in Brooklyn and 74 in the Bronx. Affordable housing constructed within and adjacent to these Opportunity Zones, such as the priority sites described above, will support healthy neighborhoods and workforce development to attract companies and investors to these areas.

c. Strategy for Leveraging Resources

i. Resources Needed for Site Reuse: NYC leverages EPA RLF funds with other sources for the successful financing of affordable housing projects.

- The NYC Mayor’s Office of Environmental Remediation (OER) provides technical assistance and grants funded through the City’s expense budget to help conduct investigations, mandatory environmental studies and remediation workplans. Like EPA funds, the City’s **Brownfield Incentive Grant (BIG) Program** is intended to spur the cleanup and redevelopment of vacant and underutilized properties by providing \$1.5 million annually for assessment and other pre-development activities.
- **HUD HOME loans** provided through the NYC Department of Housing Preservation and Development (HPD) are often paired with the RLF loan funds for supportive affordable housing projects. To date, EPA RLF funding from our prior grants has enabled construction of over 900 units of affordable housing, and the investment of \$2.45 million of EPA funds has generated more than \$367 million in additional funding, representing roughly a 150:1 leverage, for construction of beneficial projects in the City.
- For RLF subgrants, the bulk of funding for construction/redevelopment comes from the developers whose projects are enrolled in the **City Voluntary Cleanup Program (VCP)**. According to OER tracked metrics, the City’s VCP has attracted more than \$10 billion, most of it in the form of private capital investments. Projects in NYC that have received RLF funding represent over \$180 million in public subsidy and almost \$700 million in private investment. It is assumed that the loan and subgrant leverage demonstrated in our prior EPA funding would be similarly demonstrated with additional future EPA funding.

ii. Use of Existing Infrastructure: All proposed brownfield redevelopment projects will occur in locations with access to existing roads, utilities, city services and sewer, enabling the RLF-funded projects to benefit from this existing infrastructure. Each of the target area priority projects has easy access to multiple public transit options (bus, subway, train) which is an important need for low income households. NYC has a vast network of urban infrastructure that is currently undergoing modernization through a \$100 billion ten-year capital investment strategy adopted in 2015. The City has made a commitment to bring these improvements to all neighborhoods and to improve upon essential services such as safe water, stormwater management, transit and universal broadband to the benefit of all residents and at an affordable cost.

2. COMMUNITY NEED AND COMMUNITY ENGAGEMENT

a. Community Need

i. The Community Need for Funding: According to 2013-2017 ACS estimates, Bedford-Stuyvesant, Brownsville and Jerome Park are some of the poorest neighborhoods in all of NYC. As is shown in the table below, these neighborhoods have lower median household incomes and per capita incomes than the city, state and country as a whole. In the case of CT 916 (Brownsville), the per capita income is less than half of the rest of the city, state and country. The targeted end use for priority brownfields sites in low-income neighborhoods is affordable housing, as more than 50% of city residents (and more than 60% in some targeted census tracts) are considered “rent-burdened,” according to 2013-2017 ACS estimates. For NYC, this means between 4.1 and 5.1 million people are affected. Rent burdened households pay more than 30% of their income for housing and may have difficulty affording food, clothing, transportation and health care.

	United States	State of New York	NYC	CT 409, Bronx	CT 387 Brooklyn	CT 916 Brooklyn
Median Household Income	\$57,652	\$62,765	\$57,782	\$46,127	\$48,266	\$33,043
Per Capita Income	\$31,177	\$35,752	\$35,761	\$34,766	\$28,336	\$15,947

Both NYC as a whole and the targeted census tracts have a significantly larger percentage of individuals living in poverty, families living in poverty, elderly living in poverty and households receiving food stamps than the state or the nation. In some of the targeted census tracts, these number are double, triple or even quadruple the national average.

	United States	State of New York	NYC	CT 409 Bronx	CT 387 Brooklyn	CT 916 Brooklyn
Families Below Poverty	10.5%	11.3%	16.2%	11.5%	19.8%	25.1%
Individuals Below Poverty	14.6%	15.1%	19.6%	16.7%	28.1%	33.2%
Individuals 65+ Below Poverty	9.3%	11.5%	18.4%	14.3%	29.7%	39.3%
Households receiving Food Stamps (past 12 mo.)	12.6%	15.2%	20.2%	11.1%	29.1%	50.7%

Source: 2013-2017 ACS Estimates

EPA RLF funding plays a critical role in supporting the City's affordable housing goal by supporting projects undertaken by nonprofit community-based organizations. Their affordable housing and community asset building projects are undertaken in the most economically challenged neighborhoods and would otherwise be not viable without City support and direct assistance. Redevelopment of brownfield sites for affordable housing in NYC is costly, with astronomical land and construction costs compared to the rest of the country. It is estimated that the average cost of creating a single unit of affordable housing in NYC is \$500,000. The added cost of environmental remediation can be a large barrier for community-based affordable housing developers who cobble together private, foundation and public dollars to finance construction. Given the high demand for financial resources, the sheer volume of over 7,600 acres in brownfield sites throughout the City that need to be addressed, the high demand on the City's brownfield program resources, and the desperate need for funding to enable affordable housing projects in economically distressed neighborhoods to proceed, EPA RLF funding plays an important role in filling a critical gap needed to launch these projects.

ii. Threats to Sensitive Populations

(1) Health or Welfare of Sensitive Populations: The requested EPA RLF grant will support the City's efforts to address housing insecurity and the associated environmental factors that impact the health and welfare of sensitive populations with housing challenges, including low-income persons, children, veterans, unemployed, under-educated, formerly incarcerated, minority populations and the elderly. Studies show income inequality and high rates of poverty are connected to poorer health outcomes such as reduced life expectancy, and increased infant mortality, obesity, and mental illness. The availability of more affordable and supportive housing can reduce the numbers of people suffering from homelessness, poor/unhealthy housing conditions and/or the high rates of eviction.

(2) Greater Than Normal Incidence of Disease and Adverse Health Conditions: Discriminatory policies as well as a lack of investment have historically disadvantaged low- income communities in NYC, creating conditions (substandard housing, lack of park and playgrounds, exposure to environmental hazards etc.) that contribute to a greater than normal incidence of disease and adverse conditions which contribute to health issues. The ability to live a long and healthy life is not equally available to all New Yorkers. A baby born to a family that lives in the Upper East Side will live 11 years longer than a baby born to a family in Brownsville, one of the example project

neighborhoods. Three health conditions that illustrate the severity of this issue are asthma, premature birth rates and cancer.

- **Asthma:** Asthma-related hospitalization rates in NYC are more than three times higher in low-income neighborhoods, like the target areas, as compared to the most affluent neighborhoods according to NYC's Department of Health and Mental Hygiene (DOHMH) Statewide Planning and Research Cooperative System). The DOHMH 2015 Community Health Profile shows Brownsville's asthma hospitalization rates for both children and adults are almost twice the citywide rate. Further, poorly maintained housing is associated with worsened asthma and other respiratory illnesses: according to a 2014 NYC Housing and Vacancy Survey, in Brownsville, only 29% of renter-occupied homes are adequately maintained by landlords (free from heating breakdowns, cracks, holes, peeling paint and other defects), and thirty-six percent (36%) of households reported seeing cockroaches, a potential asthma trigger. The remediation and redevelopment of brownfield sites, especially for the creation of safe, high-quality housing, will eliminate potential exposures to contaminants, including those known to exist in the city's dilapidated housing stock which contribute to asthma.
- **Premature Births:** According to the DOHMH 2015 Community Health Profile, the rate of premature delivery is elevated in all three (3) target neighborhoods. For example, in Brownsville, the rate of expectant mothers receiving late or no prenatal care is higher than the citywide rate. Meanwhile, 13% of babies are born pre-term (three or more weeks before the due date), higher than the citywide rate of 6%. Another study conducted in NYC showed high prenatal exposure to PAHs, a known carcinogen found throughout the target areas in historic fill material on brownfields. PAH exposure is related to adverse birth outcomes including low birth weight, premature delivery, and heart malformations.
- **Cancer:** Cancer and heart disease are the leading causes of premature death (death before the age of 65) in the target neighborhoods, similar to the rest of the city, state and country. Lung cancer, breast cancer (among women) and colorectal cancer are the three leading causes of cancer-related premature death in the three targeted neighborhoods. However, residents of the target communities die prematurely at a higher rate: the cancer death rate before age 65 per 100,000 people was 80.8 in the target neighborhood of Brownsville vs. 46.2 for the City. According the CDC, some cancers are caused by environmental risk factors, including pollution and exposure to hazardous substances.

The remediation and redevelopment of brownfield sites in disadvantaged neighborhoods will eliminate persistent exposure to contaminants, including PAHs, chlorinated solvents and metals resulting in a positive impact on the health of the community.

(3) Disproportionately Impacted Populations: NYC is committed to meaningful engagement of members of environmental justice communities during the implementation of an EPA RLF grant. NYC's minority and low-income neighborhoods have assumed a disproportionate share of environmental hazards, leading to serious concerns about equity and environmental justice. According to EPA's EJScreen, *NYC is in the 90th percentile or higher* on five (5) indices of environmental justice issues, including National Air Toxics Assessment (NATA) for diesel particulate matter, traffic proximity, superfund proximity, hazardous waste proximity and wastewater discharge indicator, as compared to the region and the country. NYC's commitment to transform brownfield lots into healthy sites for affordable housing will reverse the trends of neglect, focus on identifying and alleviating environmental impacts, and thereby improve the living conditions in neighborhoods abandoned by those who could afford to leave.

b. Community Engagement

i. and ii. Program Partners and Program Partner Roles:

Name	Contact	Role in Implementing Grant
Breaking Ground	Jeff Scheuer, Vice Pres., External Affairs jscheuer@breakingground.org 212-389-9377	Non-profit social services organization will assist with facilitating transitional and permanent supportive housing for the homeless. Works in Brownsville section of Brooklyn.
Harlem Congregations for Community Improvement	Malcolm Punter mpunter@hcci.org	This coalition of 90+ inter-faith congregations will assist with promoting the availability of grant funds and organize/facilitate community meetings in the Harlem neighborhood
Hester Street Collaborative	Betsy MacLean, Executive Director Betsy@hesterstreet.org 917-265-8591 x201	An urban planning, design and development nonprofit that works to ensure neighborhoods are shaped by the people who live in them will engage community-based organizations interested in reusing vacant city land and connect such organizations with OER resources.
The Bridge	Carole Gordon Senior VP for Housing Development CGordon@thebridgeny.org 212-663-3000 ext. 1378	Non-profit organization that provides mental health and human services in the Bronx, Brooklyn, and Manhattan, and has created supportive housing facilities, including a supportive housing development for chronically homeless veterans; will assist with community outreach activities and identify potential sites in the target neighborhoods.
RiseBoro Community Partnership	Drew Vanderburg, Project Manager dvanderburg@riseboro.org 718-366-3800 ext. 1039	Non-profit organization that provides services for seniors, the homeless, veterans, the physically disabled, and victims of domestic violence will assist with community engagement and identify potential sites and types of future reuse that would address needs of the target neighborhoods. Responsible for the development of several thousand units of affordable housing across NYC.
Cypress Hills Local Development Corporation (CHLDC)	Michelle Neugebauer michellen@cypresshills.org or Stephanie Becker, Director of Community Development stephanieb@cypresshills.org	Non-profit community organization in Brooklyn that provides community service and neighborhood development programs will assist with community outreach activities at local meetings, at city brownfields events, and on the organization's website.
Greenpoint Manufacturing and Design Center (GMDC)	Brian T. Coleman Chief Executive Officer brianc@gmdconline.org 718-383-3935 ext. 12	Non-profit industrial developer that rehabilitates and manages industrial buildings to support employment in the manufacturing sector will assist in the identification of sites in the target neighborhoods.
NYC Brownfield Partnership	Ernie Rossano President Ernie.Rossano@erm.com	Will provide pro bono legal and technical assistance to non-profit developers of brownfields in NYC, including recipients of EPA RLF sub-grants; provides scholarships and internships to future brownfield leaders.

Name	Contact	Role in Implementing Grant
New York University - Schack Institute of Real Estate	Barry F. Hersh, Clinical Associate Professor barry.hersh@nyu.edu	Will assist in identifying priority sites and communicate with neighborhood groups to ensure successful implementation of the grant.

iii. Incorporating Community Input: As part of OneNYC: 2050, the City has committed to “a planning approach that gives communities a voice, values local knowledge and ensures plans are guided by an equity imperative.” HPD has established an Office of Neighborhood Strategies which works with communities to plan for the development of affordable housing and convenes community visioning workshops that have resulted in published plans for Brownsville, Brooklyn and Edgemere, Queens. These plans, as well as community health profiles developed by the NYC Department of Health and Mental Hygiene (as described above) provide critical information that informs our use of RLF money with community based, non-profit developers. We maintain our relationships with these organizations and our community-based partners such as those provided above through direct communications, webinars, conferences, postings on our website, and attendance at neighborhood meetings.

In order to facilitate meaningful engagement with communities where RLF investments are being considered, OER will designate a contact person to address public concerns or questions regarding grant activities and development; create and make available informational fact sheets about the program; use plain language when communicating with the public, including verbal and written communications; provide translations of all community outreach documents; make project documents on the proposed project readily accessible to the community, using a variety of media tools (paper copies, online, etc.), when appropriate; and hold public meetings at times and places in the community that afford the public a good chance of attending.

3. TASK DESCRIPTIONS, COST ESTIMATES AND MEASURING PROGRESS

a. Program Description and Marketing Strategy

i. Program Management: The City’s RLF program has an established, competent and effective governance structure. Cross office collaboration capitalizes on in-house expertise: OER serves as the Program Manager as well as provides technical oversight on the environmental cleanup activities. Following all applicable procurement requirements, OER has established multi-year contracts with a consulting firm that has the dual qualifications of being staffed with Certified Economic Development Professionals who are also well versed in running EPA RLF programs. The outsourced capacity is needed for the specialized EPA programmatic functions as well as serving as the subgrant Fund Manager.

HPD, manager of the City’s affordable housing construction loan funds, serves as the Loan Fund Manager. Loan officers from HPD perform loan underwriting and servicing as well as oversight of constructions. To date, all the RLF loans issued have been paired with HUD HOME loans for supportive, affordable housing. As the HPD loan fund managers also manage the HUD HOME loans, we have optimized the economies of scale with our loan pool allowing for seamless remediation and redevelopment. With a single closing, a single borrower, and a single construction team, the EPA loan covers the remediation needed while the HUD loan funds the construction of the project, not only maximizing resources, but ensuring projects are fully financed and promptly commence construction. HPD works with prospective affordable housing borrowers to complete the loan application documents, processes the loan applications, and administers the loan tracking

systems. Using the EPA loan funding with HUD HOME projects ensures that the projects are fiscally viable developments that provide a community benefit.

Applications for both loans and subgrants are accepted on a rolling basis. All applicants are initially vetted in a pre-application meeting with OER and must adhere to the following pre-qualifying criteria: the subgrant projects must be classified as “preferred community projects” while the loan projects must be paired with HPD affordable housing loan funds. All projects must be enrolled in the City’s VCP which requires that the borrower/sub-grantees have committed to completing remediation of the brownfield site. The prospective borrowers/sub-grantees are then vetted for EPA eligibility and RLF funds are used to complete the necessary remediation. Interest rates are flexible to support the project cash flows, varying from 0% to 2% below prime. For subgrant projects, OER’s \$80,000 subgrant cap helps to leverage additional funding, while maximizing the number of sites receiving EPA financing.

ii. Revolution of the RLF Program: RLF funding serves as critical gap funding and the terms are dictated by other public lenders investing significant funds for the overall construction project. There is no penalty for prepayment of an RLF loan, and the loan payment schedule is negotiable and determined on a project-specific basis. Our loan program exercises prudent lending practices as the process and structure of the loan and sub-grant program ensures that EPA RLF funds are only used on projects that have sufficient funding in place to cover all brownfield redevelopment activities and costs. RLF loan terms are commensurate with the terms of the HPD construction funding sources, which mirrors the cash flows of the affordable housing projects. Loans are collateralized in an amount that will afford a reasonable margin of safety in the event of borrower default. To date, we have had no defaults. NYC RLF loans will revolve based on the longer terms dictated by larger project lenders. Given the structure of affordable housing financing in NYC, we must offer the same loan terms as the longer HPD and HUD funding. Both the RLF loans and the HUD HOME loans will be serviced with outputs and outcomes tracked well beyond the close out of the cooperative agreements.

iii. Marketing Strategy: As previously noted, the number of NYC brownfield sites is extensive. Through our local VCP, we see clear patterns of brownfield sites clustering in communities of need, with over 60% sites enrolled in the City VCP located in low to moderate-income neighborhoods. In the early years of the RLF program we learned that our program does not work for private developers who have access to other funding sources and often view the EPA RLF program as cumbersome. Rather, we have found that with the enormous affordable housing challenge in NYC, the size of the communities in need, and the vast numbers of brownfields, our program best serves our residents by investing in supportive affordable housing projects and other such projects undertaken by non-profit developers. Any developer interested in the public sector funding necessary for construction of their affordable housing projects will contact HPD, known as a key partner in financing such projects. In addition during pre-application meetings required for participants entering our Voluntary Cleanup Program, we inform prospective borrowers and sub-grantees about the opportunity for EPA RLF funding if available. Each month, we typically get up to ten requests for brownfield funding, primarily for projects in the city’s most disadvantaged communities, often as referrals from HPD.

b. Descriptions of Tasks/Activities and Outputs

Task 1: Programmatic Expenses
i. Implementation: Activities will include fulfillment of the EPA grant programmatic requirements including procurement and reporting. OER will attend EPA Brownfields Conferences as well as annual State brownfield workshops, training seminars and roundtables.
ii. Anticipated Project Schedule: Five year duration of the grant
iii. Task/Activity Lead(s): OER staff and grant management contractor
iv. Output(s): Conferences and workshops; generation of solicitation documents: quarterly performance reports, MBE/WBE reporting forms, and Financial Reports.

Task 2: Marketing & Outreach
i. Implementation: OER will provide outreach to affordable housing developers and other community-based entities to publicize the benefits and availability of the RLF program as well as solicit input regarding EPA-funded projects from local community groups. The actual time attributed to marketing /outreach conducted by OER staff is provided as in-kind time. An intern will assist with updating the marketing elements of our website and other electronic media. We will use grant funds to offset the costs for printer supplies, paper, copies of maps, brochures and other such material.
ii. Anticipated Project Schedule: Five year duration of the grant
iii. Task/Activity Lead(s): OER staff and marketing intern
iv. Output(s): Marketing materials generated, developer meetings held, and community meetings held.

Task 3: Fund Management
i. Implementation: HPD will perform fund management activities for the loan portion of the RLF program. The City's subgrant consultant will perform the subgrant manager activities. Loan and subgrant Fund manager activities include vetting eligible expenditures, developing and executing the loan/sub-grant agreements, working with the borrower/sub-grantee to ensure compliance with the City's cooperative agreement requirements, and other such activities. In addition, OER personnel will provide QEP oversight of the cleanups via the City's VCP. Both the fund manager activities for the loan portion of the program and the QEP oversight are provided in-kind by City personnel.
ii. Anticipated Project Schedule: Five year duration of the grant
iii. Task/Activity Lead(s): City staff and Subgrant Fund Manager Contractor
iv. Output(s): loan/sub-grant applications received and processed, loan/sub-grant applications recommended for approval, loan/sub-grant applications approved

Task 4: Loans and Sub-grants
i. Implementation: Activities conducted involve issuing remediation loans or sub-grants to applicants that have been approved for funding. The fund manager activities for the loan portion of the program are provided in-kind by the City's HPD personnel.
ii. Anticipated Project Schedule: Five year duration of the grant
iii. Task/Activity Lead(s): City staff and Subgrant Fund Manager Contractor
iv. Output(s): Funds loaned to developers, the number of loans issued, the amount of subgrants provided to non-profits; the acres of land identified, investigated and cleaned up; the number of housing units built on remediated land, and the number of lots remediated in low to moderate income communities.

c. Cost Estimates

Budget Categories	Project Tasks				Total
	Task 1	Task 2	Task 3	Task 4	
	Programmatic Expenses	Marketing and Outreach	Fund Management	Loans / Subgrants	
Personnel					\$0
Fringe Benefits					\$0
Travel	\$12,500				\$12,500
Equipment					\$0
Supplies		\$2,000			\$2,000
Contractual	\$14,500		\$30,000		\$44,500
Other - Loans				\$600,000	\$600,000
Other - Subgrants				\$320,000	\$320,000
Other - Intern		\$21,000			\$21,000
<i>Total Direct Costs</i>	<i>\$27,000</i>	<i>\$23,000</i>	<i>\$30,000</i>	<i>\$920,000</i>	<i>\$1,000,000</i>
<i>Indirect Costs</i>					
Total Federal Funding	<i>\$27,000</i>	<i>\$23,000</i>	<i>\$30,000</i>	<i>\$920,000</i>	<i>\$1,000,000</i>
<i>Cost Share</i>				\$200,000	\$200,000
BUDGET TOTAL	\$27,000	\$23,000	\$30,000	\$1,120,000	\$1,200,000

Cost Details

Costs for the following tasks/activities are based on actual expenditures on prior RLF grants.

Item	Unit	Qty.	Unit Cost	Subtotal
Task 1 - Programmatic Activities				
Travel: Two national brownfield conferences for three people @ \$1,500 = \$9000; Regional seminars, training and roundtables: 5 events/yr @ \$140 = \$3,500	Trips	31	\$12,500	\$12,500
Contractual: Grant Management Consultant	YR	5	\$2,900	\$14,500
Task 1 Total				\$27,000
Task 2 - Marketing and Outreach				
Supplies: paper, copies, etc.	YR	5	\$400	\$2,000
Other: Intern Stipend	YR	5	\$4,200	\$21,000
Task 2 Total				\$23,000
Task 3 - Fund Management				
Contractual: Subgrant Fund Manager	YR	5	\$6,000	\$30,000
Task 3 Total				\$30,000
Task 4 - Loans and Subgrants				
Other: Loans	Contract	3	\$200,000	\$600,000
Other: Subgrants	Contract	4	\$80,000	\$320,000
Other: Cost share (BIG funds)			\$200,000	\$200,000
Task 4 Total				\$1,120,000
Total All Tasks				\$1,200,000

d. Measuring Environmental Results

OER collects extensive data on the City's land cleanup program beginning with an interview of prospective RLF applicants and a lengthy application to vet a proposed project and ending with an

comprehensive exit questionnaire when construction is complete. An OER project manager is assigned to each project, and all remediation activities are monitored and project data is submitted to OER, and if indicated, EPA for review. Data are entered into NYC's Environmental Project Information Center (EPIC), an online portal for the public to access environmental information about cleanup and redevelopment projects supervised by OER. For each site, OER creates and maintains a public-facing document repository that contains all technical documents, public notices and community resources. Information for each remediation project/property includes environmental findings, a cleanup description, engineering and institutional controls, a community protection statement and a summary of the planned redevelopment. OER also maintains the Searchable Property Environmental E-Database (SPEED) Portal which provides users with a wide range of environmental information on every single NYC tax parcel with access to features from NYCMap. EPIC and SPEED provide the basis for analysis and generates metrics that OER uses to measure its results as described in the outputs section.

4. PROGRAMMATIC CAPABILITY AND PAST PERFORMANCE

a. Programmatic Capability

i. and ii. Organizational Structure /Description of Key Staff: The NYC Mayor's Office of Environmental Remediation (OER) was created in 2008 to spearhead NYC's brownfield revitalization efforts and includes a staff of 22 scientists, engineers, attorneys and planners. The NYC Voluntary Cleanup Program (VCP), the nation's only full service brownfield cleanup program run by a municipality was launched in January 2011. EPA formally recognized the NYC VCP in August 2011, by which EPA acknowledges that City-approved cleanup plans are a sufficient basis to expand RLF remediation funds. Thus NYC can provide project management and oversight of cleanups with existing in-house staff.

OER also provides a wide range of resources and technical support for community based organizations involved in the planning and redevelopment of vacant, underutilized sites. OER is led by Mark McIntyre, Director and General Counsel. He is assisted by Shaminder Chawla, OER's lead technical officer, and Lee Ilan, OER's Chief of Planning, who does community outreach and works with the community-based organizations. NYC's Department of Housing Preservation and Development (HPD) is the largest municipal housing agency in the nation. The agency's Office of Development, headed by Deputy Commissioner Liz Oakley, leads the implementation of the Mayor's Housing Plan to create or preserve 300,000 affordable housing units by 2026, including the facilitation of loan programs, subsidies, tax credits, new construction incentives and the disposition of tax-foreclosed properties to private ownership.

As of September 30, 2019, the City has invested \$5.09 billion in direct capital funding and \$31.7 billion overall to create or preserve 136,912 units since 2014. As described, these agencies work together, providing their individual expertise to reach the City's performance goals.

iii. Acquiring Additional Resources: Following all applicable local and federal procurement requirements, we have contracted with an experienced environmental management firm to provide assistance with the implementation of existing EPA grants. This firm assists with such programmatic activities as EPA quarterly reporting, preparation of site eligibility requests, financial reporting, and subgrant fund management for the RLF program.

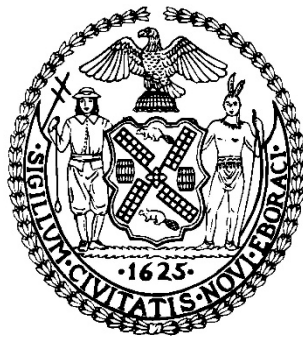
b. Past Performance and Accomplishments**i. Currently Has or Previously Received an EPA Brownfields Grant:**

(1) Accomplishments and (2) Compliance with Grant Requirements: The following is information on our most recent grants:

Grant	Funds Remaining	Compliance with Requirements	Accomplishments
2016 Hazardous Substances Assessment BF 96272016	\$183,748.68 unencumbered funds remaining	All grant requirements to date, including reporting and routine drawdown submissions, have been completed.	Total of 2 sites approved to date, including a Phase II; two sites pending.
2016 Petroleum Assessment BF 96272116	\$186,390.76 unencumbered funds remaining	All grant requirements to date, including reporting and routine drawdown submissions, have been completed.	One site approved to date.
2014 Hazardous Substances Assessment BF 96281015	\$70,539.00 unencumbered funds remaining	All grant requirements to date, including reporting and routine drawdown submissions, have been completed.	Total of 22 sites approved to date and has funded groundwater investigation with invoices pending submission to EPA.
2014 Petroleum Assessment BF 96281115	\$40,759.34 unencumbered funds remaining	All grant requirements to date, including reporting and routine drawdown submissions, have been completed.	Total of nine sites approved to date and has funded multiple investigations with invoices pending submission to EPA.
2013 Revolving Loan Fund incl. Supplemental BF 96287213	\$108,156.97 remains; all remaining funds are fully encumbered.	All grant requirements to date, including reporting and routine drawdown submissions, have been completed.	4 loans have closed and 9 subgrants have been issued. 900 Units of affordable housing, two charter schools completed; healthcare facility under construction.
2012 Revolving Loan Fund BF 96295712	\$0 remaining	All grant requirements to date, including reporting and routine drawdown submissions, have been completed.	Projects funded include 1 loan project and 5 subgrant projects including a charter school and 86 units of supportive affordable housing for the homeless.

Since 2014, OER has remediated 1,100 brownfield sites (tax lots) covering 285 acres, many of which are located in low- and moderate-income communities. Specifically, OER has leveraged US EPA RLF loans and subgrants to support the creation of 8,000 units of affordable and supportive housing throughout the city.

All of the \$2.35 million received to date in prior EPA RLF funding is expended or encumbered. A 2012 EPA RLF grant was entirely expended, and a 2013 EPA RLF grant has been fully encumbered for over a year: all loan funding has been disbursed and the City is currently overextended with the number of projects in the pipeline for the remaining subgrant funding. Remaining assessment funding will assist with facilitating the use of the RLF money as it will provide site characterization information needed to advance sites to cleanup and potential use of RLF funds.



City of New York
EPA RLF Grant Proposal

Attachment
Threshold Criteria

City of New York - FY2020 Application for EPA Brownfields RLF Grant

Threshold Criteria

1. Applicant Eligibility: The City of New York City is a general purpose unit of local government as defined under 40 CFR Part 31.

2. Description of Jurisdiction: The applicant's jurisdiction is all of the City of New York.

3. Letter from the State or Tribal Authority: A letter of support for this application was received from the New York State Department of Environmental Conservation.

4. Oversight Structure and Legal Authority to Manage a Revolving Loan Fund:

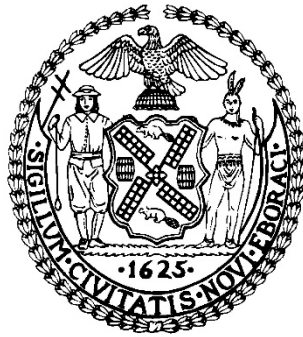
a. Cleanup Oversight: In administering the EPA RLF, the City of New York through the Mayor's Office of Environmental Remediation (OER) will comply with all applicable federal and state laws and will ensure that any RLF funded cleanup protects human health and the environment. OER has its own Brownfield Voluntary Cleanup Program to oversee light to moderately contaminated sites. However, OER will work in consultation with EPA regional personnel for oversight review and approval. As such, sub-grant and loan recipients will be required to prepare remedial action work plans and conduct cleanups under the purview of the federal regulatory agency.

b. Legal Opinion: See legal opinion attached indicating the ability of the City of New York to access and secure sites in the event of an emergency or default of a loan/sub-grant agreement, and the legal authority to perform the actions necessary to manage the EPA RLF.

5. Statutory Cost Share:

a. The 20% cost share for the EPA RLF program shall be met with a cash contribution of \$200,000 from OER and/or developers.

b. A hardship waiver for the cost share is not being requested.



City of New York
EPA RLF Grant Proposal

Attachment
Letter from Counsel Containing Legal Opinion



OFFICE OF ENVIRONMENTAL REMEDIATION
100 Gold Street – 2nd Floor
New York, New York 10038

Mark P. McIntyre
Director and General Counsel
Tel: (212) 788-3015
Fax: (212) 788-2941

November 14, 2019

Alison Devine
National Competition Coordinator
Brownfields Section
Land and Redevelopment Programs Branch
Land Chemicals and Redevelopment Division
U.S. Environmental Protection Agency, Region 2
290 Broadway, Floor 25
New York, New York 10007

Re: Application of the City of New York for an EPA Brownfields Revolving Loan Fund Grant

Dear Ms. Devine:

In connection with the submission of a proposal by the City of New York for a Brownfields Revolving Loan Fund (“RLF”) grant, reference is made to the EPA’s FY20 Guidelines for such grants (RFP No. EPA-OLEM-OBLR-19-06). The RFP specifically requires a legal opinion demonstrating, with citations, that the City has the legal authority (1) “to access and secure sites in the event of an emergency or default of a loan agreement or nonperformance under a sub-grant”; and (2) “to perform the actions necessary to manage a revolving loan fund. At a minimum, legal authority must include the ability to hold funds, make loans, enter into loan agreements, and collect repayments.”

This opinion letter is delivered to you as a component of the City’s proposal in response to the above-referenced RFP. For purposes of this opinion letter, we have reviewed the RFP. In addition, we have examined such portions of the statutes of the State of New York (the “State”) and the Charter of The City of New York (the “City”), and such other applicable laws and court decisions and such documents and other materials as we have deemed necessary or relevant for the purposes of the opinions set forth below. We have cited certain laws below because the FY20 Guidelines require cites to “relevant state law(s) or local ordinance(s).” However, our opinion below is based on all of the materials we have examined and not merely the cited laws.

Based upon such examination, I advise you that in our opinion under existing law:

1. The City has the authority to access and secure sites in the event of an emergency. See NYS Executive Law §24 (local states of emergency and local emergency orders); NYS General

City Law §§20(12) (power to protect inhabitants and property from loss or damage), (13) (power to protect property and preserve and care for safety, health, comfort, and general welfare), and (23) (power to exercise all powers necessary and proper for carrying into execution the powers granted to the City); NYC Charter §1403(h) (DEP commissioner has power to respond to emergencies caused by releases or threatened releases of hazardous substances); NYC Charter §435(a) (NYPD has authority to "guard the public health"). It is the City's intention to provide for such access in loan agreements and sub-grant agreements to be issued pursuant to a RLF grant, if awarded.

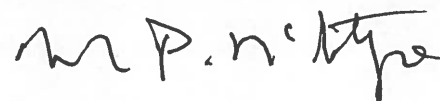
2. The City, as a validly existing municipal corporation under the laws of the State with full power and authority to enter into, enforce, and perform its obligations under contracts, therefore has the authority to access and secure sites in the event of a default of a loan agreement or non-performance under a sub-grant. See NYS General City Law §20(1) (power to "contract and be contracted with").

3. As such, the City has the authority to provide, by contract, for the remedy of accessing and securing sites in the event of a default of a loan agreement or nonperformance under a sub-grant. When executed and delivered by the City and, assuming due authorization, execution and delivery by, and validity against the loan recipient or sub-grantee, such loan agreement or sub-grant will be a legal, valid and binding agreement, enforceable by the City in accordance with its terms, except to the extent that the enforceability thereof is subject to the overriding State interest in promoting the health, safety and welfare of the people of the State, and may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights generally, and to general principles of equity (regardless of whether the enforcement of such remedies is considered in a proceeding in law or at equity).

4. The City has the power to apply for, accept, and expend funds made available pursuant to the subject RFP, and the power to take all actions necessary to effectuate the purpose of the program in question. See NYS General Municipal Law §99-h. The City thus has the power to hold funds, make loans, enter into loan agreements, and collect repayments pursuant to this program.

I have rendered this opinion solely for the EPA's use in connection with the City's proposal for the Brownfields RLF grant. This opinion is not to be employed, relied upon, referred to or quoted by any other person or for any other purpose.

Sincerely

A handwritten signature in black ink, appearing to read "M. P. McIntyre", written in a cursive style.

Mark P. McIntyre

Application for Federal Assistance SF-424

* 1. Type of Submission:

- ☐ Preapplication
☒ Application
☐ Changed/Corrected Application

* 2. Type of Application:

- ☒ New
☐ Continuation
☐ Revision

* If Revision, select appropriate letter(s):

* Other (Specify):

* 3. Date Received:

12/03/2019

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

BF

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name:

City of New York

* b. Employer/Taxpayer Identification Number (EIN/TIN):

* c. Organizational DUNS:

9650480980000

d. Address:

* Street1:

100 Gold Street, 2nd Floor

Street2:

* City:

New York

County/Parish:

* State:

NY: New York

Province:

* Country:

USA: UNITED STATES

* Zip / Postal Code:

10038-1621

e. Organizational Unit:

Department Name:

Office of Env. Remediation

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

Mr.

* First Name:

Mark

Middle Name:

* Last Name:

McIntyre

Suffix:

Title:

Director, Mayor's Office of Env. Remediation

Organizational Affiliation:

* Telephone Number:

212-788-3015

Fax Number:

* Email:

MMcIntyre@cityhall.nyc.gov

Application for Federal Assistance SF-424

* 9. Type of Applicant 1: Select Applicant Type:

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

* 10. Name of Federal Agency:

Environmental Protection Agency

11. Catalog of Federal Domestic Assistance Number:

66.818

CFDA Title:

Brownfields Assessment and Cleanup Cooperative Agreements

* 12. Funding Opportunity Number:

EPA-OLEM-OBLR-19-06

* Title:

FY20 GUIDELINES FOR BROWNFIELD REVOLVING LOAN FUND GRANTS

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

1235-NYC SF 424 areas affected.pdf

Add Attachment

Delete Attachment

View Attachment

* 15. Descriptive Title of Applicant's Project:

City of New York FY20 US EPA Brownfields Revolving Loan Fund Grant

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424**16. Congressional Districts Of:*** a. Applicant * b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:* a. Start Date: * b. End Date: **18. Estimated Funding (\$):**

* a. Federal	<input type="text" value="1,000,000.00"/>
* b. Applicant	<input type="text" value="200,000.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="1,200,000.00"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on .
- ☒ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- ☐ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**☐ Yes ☒ No

If "Yes", provide explanation and attach

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name:

Middle Name:

* Last Name:

Suffix:

* Title: * Telephone Number: Fax Number: * Email: * Signature of Authorized Representative: * Date Signed: